

Waco Community Development

"Helping to inspire and cultivate healthy neighborhoods."

AUGUST 2014



Eight Years in the Making

by Mike Stone

Bob and Mary were recently married and wanted to start their life together in a new house. They came to Darrell, one of our housing counselors, to learn more about the process of becoming a homeowner. They looked at their credit with Darrell and realized that had some credit issues that would prevent them from becoming homeowners right away. Bob and Mary had accumulated a large amount of debt and had also allowed friends to use their credit. It was hard to hear Darrell say, "Not now." But Bob and Mary were very determined.

They worked with Darrell to come up with a plan that addressed all of the missing pieces in their path to homeownership. Bob & Mary got second and third jobs and started working their plan. They came back periodically, checking in with Darrell to tell him about their progress. **They spent 8 years working, but they came back to us this spring and were ready to buy a house.** They have a five year old son and he is able to look up to them and see their perseverance and hard work. He is also quite eager to pick out his new room! We are honored to work alongside each of our families as they become homeowners in our Waco neighborhoods.

CALENDAR

2014 Classes

Financial Literacy
Accelerated Classes :

Saturday
Sept. 27 & Oct. 4
1:00 - 5:00 PM

Homebuyer
Education II
Next class will begin
August 30

2nd Annual Pinnacle Open Skeet Shoot

Thanks to everyone who came out to our 2nd Annual Skeet Shoot! Special thanks to Josh Poole for demonstrating his skeet shooting skills and teaching all of us the proper skeet shooting technique. We also want to thank our board members for all of their hard work in organizing the event. Finally, thanks to all of our sponsors for your time and your generous donations. We could not do this work of inspiring and cultivating healthy neighborhoods without you!

Board of Directors:

- President:**
 Billy Davis Jr.
 Dr. Van Allen
 Josh Caballero
 Ken Cooper
 Carol Dugat
 Tim Holtkamp
 Walt Keeler
 Johnny Mankin
 Rev. Frank Montgomery
 Jon Spelman

Hard Hat Tours

1st Thursday of
Month
At 1pm
1624 Colcord
*Come learn about
Waco Community
Development*

Waco Community Development

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The newsletter of Waco
Community Development whose
mission is to help inspire and
cultivate healthy neighborhoods
throughout Waco.

Contact Us

Mike Stone

Executive Director
mike@WacoCDC.org

Darrell Abercrombie

Program Administrator
darrell@WacoCDC.org

Ryn Farmer

Community Organizer
ryn@WacoCDC.org

Alexis Christensen

Community Organizer
alexis@WacoCDC.org

M.L. Dickey

Construction Manager
ml@WacoCDC.org

Weathering the Financial Storm

by Darrell Abercrombie

Summer has finally arrived.. The temperature has now reached over 100 degrees and that means a rising cost in utilities. As the temperature rises, so have our attitudes. Some people become irritable and to add insult to injury, the electric bill blew away their budget.

1. **Review your priorities . . . and your spending.** Start by looking at your monthly expenses. Remember your family's welfare comes first; make sure to continue to make payments on your home, rent, utilities & insurance. Look at where you can cut back so that you won't have to take out a loan. Possibilities include: restaurant meals, entertainment such as ball games & premium TV channels, costly Internet & phone service.
2. **Pay off your highest interest rate credit cards.** Try to pay all or as much as possible of your credit card bill each month. Send more than the minimum payment due.
3. **Commit to a saving program.** You should have money available for emergencies. How can you build an emergency saving fund if you're struggling to make ends meet? Start by paying yourself first each month. Before you pay your bills, write out a check to be deposited into your saving account, even if it is only \$20 or \$30. You can arrange your bank or credit union to automatically transfer a certain amount to your saving account each month.
4. **Know when and where to ask for help.** If you think you have a serious debt problem, it is in your best interest to address it immediately. Get in contact with your mortgage company as soon as possible. They may have some assistance to help you if it is a legitimate need such as going to the hospital, injury or severe illness. **Over spending at Christmas is not a legitimate excuse.** Get financial & budget counseling.
5. **Watch out for Scams.** Easy credit and guaranteed loans are dangerous during the holiday season. Con artists and bogus credit scams collect money up-front in exchange for erasing bad credit. A bad credit history is repaired through steady and consistent on-time payments. Nobody can erase bad credit overnight. Never provide your Social Security, checking account or credit card number in response to an unsolicited call or letter. *Hopefully we have given you more incentives to protect yourself & your family during these times.*



Pictured (L-R) Restoration Haven Executive Director Shirley Langston, County Commissioner Lester Gibson, CNA President Dalton Gooden, and Ryn Farmer.

Light Up Carver

Carver Neighborhood Association's (CNA) Infrastructure & Beautification Committee worked hard to get a petition signed by several hundred community members asking the City of Waco for more lighting in their community. They went through the neighborhood and identified areas where potential street lights could be placed. Then they worked with the City of Waco and Oncor Electric Delivery to put a total of four street lights on Dunbar, Lenox, Carver & Dearborn between the cross streets of Dallas and Sherman. They had a celebration at Oscar

DuConge Park on August 5th at 10:00am where they recognized the efforts of the community and their ability to work with the City to further develop their neighborhood. They also received a proclamation from McLennan County that commended them their dedication and hard work. The association will now be selecting additional streets in the Carver Neighborhood where more lights can be placed.

Under Pressure: Predatory Lending Simulation

by Alexis Christensen



Education Task Group Member, Mr. Samuels, & Payday Lending Simulation Participant, Shawana Thomas.

Imagine you have two children and your employer cut your work hours which means you are only making \$300 every two weeks but you still have to pay for groceries, gas for your car, and rent. What do you do? Do you forgo your car, groceries, or rent just to make it until the next payday? Or do you follow the neon signs to a payday or auto-title lender? That's exactly the question that faces participants in the *Texas Payday and Auto Title Lending Simulation* created by Janae Griffiths, Rucker Preston, & Lauren Serafy, MSW students at Baylor University. The simulation gives the audience and the participant a unique look at how predatory loans keep customers in cycles of debt.

In Texas, the loan rate can be upwards of 500% APR. The average amount borrowed in Texas is \$500 for a payday loan and \$800 for an auto title loan. The average payday borrower in Texas pays \$840 for a \$300 loan. In the greater Waco area, there are 68 storefronts and 55% of consumers refinance their payday loan (Citizens for Responsible Lending, 2014; Texas Appleseed, 2013).

Citizens for Responsible Lending's Education and Presentation Task Group had the privilege to facilitate this simulation at CareNet Pregnancy Center this past June. The task group members each took a role—the employer, the banker, the auto title lender and payday lender. A participant from CareNet was given \$300 each round (equating to two weeks), and had to decide how to pay for rent, utilities/gasoline and groceries, each with a set cost. Choosing quick cash appeared to be the best option, but our participant soon found out, it wasn't quite that simple.

After the simulation, our participant Shawana Thomas remarked "Having to get one loan to pay off another is very stressful. It seems like it would never end." Participants slowly began to open up and share their life experiences with predatory lending and how it affected their lives and the lives of their families. Many people shared how they learned about payday and auto title loans from other family members. An attendee remarked how her mother had several loans over the course of many years, but continues to take out new loans because there is no other option available to her. Conversations like these help us and Citizens for Responsible Lending understand the prevalence of predatory lending, but also the carnage the loans often leave behind.

Little is being done at the state-level to address these concerns. There has been a push in the state of Texas to pass ordinances at the local city level and to create ethical alternatives. So far, 18 Texas cities have passed ordinances to limit payday and auto title lenders. Waco has worked to address this in the past and is currently ramping up efforts. However, few viable alternatives have yet to exist in Waco. Citizens for Responsible Lending will continue to work to find alternatives and ways to address the issue at a local and state level.



Citizens for Responsible Lending is a group of individuals from a variety of sectors in Waco who have formed several task teams to work on addressing predatory lending. If you are interested in joining Citizens for Responsible Lending or would like more information about this issue, please contact us.



Dear Friends,

It is with a heavy heart that I announce my departure from Waco Community Development. My husband Caleb was offered a position at Bluffton University in Ohio.

It has been my joy and honor to work alongside all of you and I will miss you deeply. It is hard to say good-bye to you and to a city that has become so dear to me. However, I have great hopes for this community and I am encouraged by all of the good work that you are investing in it to make it a great place to live.

We are excited to be closer to both of our families but it is with great difficulty that we leave Waco. Although we were not here long, you opened up your arms and your hearts to me and I have experienced community in so many different capacities. Thank you for continuing to hope in more for this wonderful city

and for your commitment to make it happen.

With warm & heartfelt regard,
Ryn Farmer



1624 Colcord Ave.
Waco, TX 76707

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“The J.H. Hines Way”: The Importance of School Culture

by Ryn Farmer



Keli Jackson, VOICE Inc. & Shana McGowan, Parent of the Year.

When children, families, teachers and administration devote energy and time to cultivate, develop and implement a school culture that they can be proud of and call their own, something beautiful happens. Each summer, VOICE, Inc., a local non-profit organization that works with children and families, hosts Freedom School. This school has an academic component but it also provides an incredible cultural experience for all of the students and families involved. The past two summers, they hosted it at J.H. Hines Elementary. They start the day by doing harambee together which means “unity” or “let’s pull together” in Swahili. If you have ever had the privilege to witness this type of com-

munity, you know what a huge impact it has on everyone involved. It is both positive and effective.

This 2014-2015 school year will start differently for J.H. Hines. For the first time, VOICE, Inc. has trained all of the administration and staff in the “Freedom School Way” so that each morning, J.H. Hines can start their day with harambee. The children will sing and dance together and learn that they have worth and value. That they have the inner-strength and the capability to be something great. And that they have a history and a culture that they should embrace and celebrate. If you get a chance this year, you should stop by J.H. Hines from 7:50am – 8:20am and participate. I promise it will make you want to go every morning, just to start your day off right. ☺



BY THE NUMBERS

Housing:

Homeowners: 226
New Homes: 52
Renovated: 17

Education:

Counseled: 1692
Active: 99

Maintenance:

Volunteers: 6,904
Vol. Hours: 62,747
Lots Mowed: 2,989